## REMARKS

The Applicant has filed the present Response in reply to the outstanding Official Action of February 25, 2004, and the Applicant believes the Response to be fully responsive to the Official Action for reasons set forth below in greater detail.

In the Final Official Action, the Examiner still rejects <u>Claims 1-18</u>. Claims 1-2, 5-10, 13-16 and 18-19 are rejected under 35 U.S.C § 103(a) as being unpatentable over Kadowaki et al. (U.S. Pat. 5,414,457) (hereinafter "Kadowaki") in view of Matsubara et al. (U.S. Pat. 5,345,258) (hereinafter "Matsubara").

Specifically, the Examiner asserts that the hypothetically combined references teach an encoding means for encoding one or more frames of a decoded moving picture data into compressed still picture data. We respectfully disagree with the Examiner's rejections and traverse with at least the following reasons.

At the onset, Applicant would like to note that Claims 1 and 9 have been amended herewith to specifically recite that the still picture data generated by said encoding means is in conformity with a still picture format which is different from a moving picture format with which the moving picture data is in conformity. No new matter has been added by such amendment. Support for the amendment can be found, for example, at page 6, lines 4-15 of the specification. Furthermore, Claims 17-18 have been cancelled herewith without any prejudice to any reintroduction of these claims in this or any later related application.

Independent Claims 1 and 9 are patentably distinct from the cited prior art references. Specifically, Matsubara fails to teach a still picture generated by the encoding

means that is in conformity with a format different from a format with which the moving picture data is in conformity.

Matsubara teaches that the decoding circuit decodes a Difference Coded Video Signal which is well-known as a DPCM video signal, the coding circuit encodes one frame of the decoded video signal, and the storage circuit stores the encoded video signal for one frame which *is intra-frame* coded video signal and is supplied from the change-over circuit, *not via* the decoding circuit and the coding circuit. See, Column 6, lines 13-33. (Emphasis added)

This indicates that the decoding circuit will decode a moving picture from the frame. The first frame of the moving picture is decoded from the encoded video signal encoded by the coding circuit and the following frames of the moving picture are decoded from the encoded video signal encoded by the coding circuit and the DPCM signal transmitted from the communication party. The decoding circuit is a moving picture decoding circuit, as apparent from the fact that the decoding circuit decodes the frame from the DPCM signal, and also as apparent from the fact that the decoding circuit decodes the following frames which follow the frame without reference to an earlier encoded/decoded frame. Neither decoding circuit nor encoding circuit encode or decode a still picture. After the encoded signal for the frame is stored in the storage circuit, the decoding circuit will decode the frame from the encoded signal. Accordingly, the coding circuit encodes the frame as a part of a moving picture. The frame encoded by the coding circuits is still compatible with a moving picture code. This is to allow for the playback of the moving picture image. The moving picture image is stored as separate one frame images to save space, but each separate frame is then used for the playback mode.

Therefore, Matsubara discloses that the picture data generated by the coding circuit is in conformity with a moving picture format. Matsubara does not teach encoding a still picture. Accordingly, since Matsubara fails to teach or suggest all of the limitations of Independent Claims 1 and 9, Applicant submits that the claims are patentably distinct.

The Examiner also rejected Claims 3-4 and 11-12 as being unpatentable over Kadowaki in view of Matsubara and in further view of Kimura, et al. (U.S. Patent No. 5,778,054). We respectfully disagree with the Examiner's rejection of Claims 3-4 and 11-12 for at least the same reasoning as identified above.

For all the foregoing reasons, the Applicant respectfully requests the Examiner to withdraw the rejections of independent Claims 1, and 9 pursuant to 35 U.S.C. § 103(a). Furthermore, the Applicant respectfully requests the Examiner to withdraw rejections of dependent Claims 2-8, and 10-16 based at least on their respective dependencies, whether direct or indirect, from independent Claims 1 and 9.

In conclusion, the Applicant believes that the above-identified application is in condition for allowance and henceforth respectfully solicits the Examiner to allow the application. If the Examiner believes a telephone conference might expedite the

allowance of this application, the Applicant respectfully requests that the Examiner call the undersigned, Applicant's attorney, at the following telephone number: (516) 742-4343.

Respectfully submitted,/

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